



Concept Paper # 232

Presented to the Department of Administrative Services (DAS)

Date Prepared: November 29, 2012

Name of document to be reviewed:

Department of Public Health Environmental Health Division Online Licensing System

Document for review and approval:

- ☐ Request for Proposal (RFP)
- ☐ Request for Service (RFS)
- ☐ Request for Quote (RFQ)
- ☐ Invitation to Qualify

- ☐ Sole Source Procurement
- ☒ Statement of Work
- ☐ Staff Augmentation
- ☐ Master Agreement Purchase

NOTE: Sole source procurements will also need authorization from DAS Procurement for this type of purchase. Please also contact DAS Procurement at this location:

<http://das.gse.iowa.gov/procurement/solesource%202010.pdf>

Document for review only:

☐ Master Agreement

☐ Request for Information (RFI)

Agency: Department of Public Health

RFP Reference #: BD20600S027

Release Date: 11/14/2005

This project is requesting IOWAccess funds: Yes ☒X___ No ___

NOTE: IOWAccess concept papers are to be sent to Wes Hunsberger (Wes.Hunsberger@iowa.gov) for an internal DAS review.

Projected cost over \$50,000? Yes ☒X___ No ___

Projected agency staff hours over 750? Yes ☒X___ No ___



Project Cost, Funds and Funding Source:

Please list the internal and external resources/costs for the purchase:

This is a one time funding request of \$312,443.50 to pay for a portion of development of the new Environmental Health Licensing Software. Moving forward, any costs associated with the system will be covered by the licensing fees collected.

Timelines:

The funding would need to be approved and paid to the vendor within the next 12 months. The first phase of the project goes live in December of 2012.

Goal:

The goal of this request is to cover a portion of the cost of the software for an enterprise licensing system for Environmental Health. Moving forward all cost associated with the software will be covered by the division.

Background:

The Department of Public Health Environmental Health Division is embarking on modernizing its licensing system for up to seven licensing programs. Currently the department licensing application process is completely paper-based and uses older, outdated databases that are being phased out and no longer supported. The IDPH IT team is starting to run out of options to keep the system up and running. The Environmental Health Division typically would have the funds to pay for this new system, however, due to some loss of funding the division finds itself with a shortfall and cannot pay for the first year's implementation costs. If lowAccess can cover the first year's cost, the department anticipates great gains in efficiency. This will result in a reduction of temporary staff that is currently needed and result in greater efficiencies gained by the current full time staff used to administer the licensing program. It will also allow the department to pay for any ongoing cost of the software out of the licensing fees collected, thus making it a self-funded service. The Lead Program will be the first to implement the system with up to six other programs to follow leveraging the same system.

Expected Results:

The department expects to save a minimum of \$60,000 annually by reducing the amount of temporary staff that is needed to help administer the paper intensive process in place today. By moving to a more robust online system, the department will experience additional savings and efficiency gains for current full time staff as well. In addition, for the first time licensees will have a way to apply for, renew, manage information, and pay for licenses online. The continuing education instructors will be able to interface with the system to report continuing education hours for licensees. Licensees will have a full portal where they can exchange information and communicate to the department in a paperless manner. The Division will have a comprehensive view of all licensees in one system.

Testing and Acceptance:

The department will work with the vendor to ensure adequate testing plans are in place and that all agreed upon deliverables are met.



Some of the Interested Parties:

All licensees who are regulated by the Environmental Health Division.

- Lead safe renovators (9,000)
- Radiological health practitioners (4,500)
- Radioactive Material (RAM) (500)
- Tanning facilities (1,024)
- Tattoo Establishments and artists (1,000)
- Swimming pools (2,300)
- Migrant labor camps (40)
- Backflow device testers (1,100)
- Water treatment device manufacturers (277 devices)

Some of the Recipients of this Service:

- 1) Licensees
- 2) Training Instructors
- 3) Training Managers
- 4) IDPH Environmental Health Division

Standards:

All requirements outlined by the Environmental Health Division plus adherence to all State of Iowa Web accessibility and development standards.

Architecture:

The system will be built using PHP with a MySQL database back end system.

Business Continuity / Disaster Recovery:

The vendor will host the application providing 24 x 7 technical support. The application will be hosted in a level 4 data center with full load balancing. Full scheduled back ups will be performed according to state data records retention standards.



Recommendations from the State CIO:

NOTE: Where applicable, all DAS GSE Procurement and IA Administrative Code 11-105 and 11-106 requirements and procedures are to be followed. Reference: <http://das.gse.iowa.gov/procurement/>, specifically: <http://das.gse.iowa.gov/procurement/adminrules/>.

Duplication recommendation from the State CIO to the DAS Director:

- a) Is there duplication within Government? *(Please identify duplication at the agency level, as well as within the enterprise)*
- b) Can an existing program be modified to address a new need?
- c) Do you have any similar program in existence?
- d) Have you sought IT procurements for similar programs in the past?
- e) Do you have purchasing documents for similar programs?
- f) Do you have similar purchasing documents that could be used as a starting point for this program?
- g) Is there anything you could provide that could assist the agency with this IT procurement?
- h) Are there alternatives available to the agencies?

Questions submitted to DPH from the State CIO:

1. Need the detail behind the of \$312,443.50 request.
2. The form indicates it is a portion of the development – so we need total cost.
3. Since SOW is checked on the form, we need a copy of that.
4. Assume this is through Iowa Interactive, but it doesn't state, so need to confirm that.
5. By my count, this would cover 9 licensing categories and 19,741 licenses.

Answers submitted by DPH in response (submitted by Ken Sharp):

1. Need the detail behind the of \$312,443.50 request.

This amount is based on the total number of lead users of the system:

- Licensees 12,718
- Firms 5,401
- Trainers 50
- Expected first year's renewals 9,000

This gives us a total of 27,169. At a rate of \$11.50 the total is \$312,443.50.

2. The form indicates it is a portion of the development – so we need total cost.

Because this is a work in progress and the entire system has not been built, coupled with the fact that there is no agreed upon hourly rate for II there is no way to project the total cost. From the beginning of this project through October 31, 2012 II has invested 6,211 hours in the project. There are additional components which still need to be built. The request is for the first year of expenses for the system. Additional costs include hosting, as well as the use of NIC's Transaction Management System that will process payments for Environmental Health. This money will also be used to cover those first year expenses.

3. Since SOW is checked on the form, we need a copy of that.



The SOW for this specific service will be created once the outcome of this request is determined. It is building the system based on the Network Manager's Agreement. There was no way to indicate this so SOW was the closest match we felt.

4. Assume this is through Iowa Interactive, but it doesn't state, so need to confirm that.

Yes, Environmental Health is developing this system in partnership with Iowa Interactive.

5. By my count, this would cover 9 licensing categories and 19,741 licenses.

Please see above.

Additional clarifications requested from DPH by the State CIO:

1. The request is for the initial development costs of a licensing system that can and will be used by other licensing agencies in the state, as well as other licensing requirements within DPH.
2. The only agreed to licensing fee today with Iowa Interactive is for LEAD at \$11.50 per renewal, no other licensing fees have been agreed to by either DPH or Iowa Interactive.
 - a. This is due to the multiple complexities and quantities of renewals for each licensing class, meaning that each one has to be reviewed for anticipated costs to maintain (i.e., number of transactions, number of portal access users, renewal periods and cycle of renewals, amount of customization from the original development application, hosting requirements, payment processing, etc.)
3. There was not a statement of work because of the lack of information/authorization on answering the hosting question and the funding source authorization. However, it is being developed under the oversight and collaboration with Environmental Health.
4. The request amount covers hosting and all other costs associated with getting the system operational, then licensing fees are to cover the specific day-to-day costs going forward.

Answers submitted by DPH in response (submitted by Ken Sharp):

The State CIO's clarifications are correct.

One minor clarification I will add, is on number 1 below. The development of the licensing system is intended to be used for other licensing programs as you understand below. That is contingent on timing and capacity of Iowa Interactive to meet our licensing software needs for these programs. We have been working with Iowa Interactive for approximately three years on the lead licensing application, with the understanding the following licensing applications will be turned around MUCH more quickly. IDPH cannot wait years for the development of each licensing application, and would need to consider alternatives in the event this becomes an issue.

Additional clarifications requested from DPH by the State CIO:

The State CIO was surprised the period of time in question is three years in length.

He will check that with them.

Additional clarification submitted by DPH in response (submitted by Ken Sharp):

Thanks. I would need to confirm the exact date, but three years is a rough estimate that should be in the ballpark. Would also acknowledge there have been unanticipated delays on this project due in part to changes to the plumbing application and uncertainty for II regarding their contract status.



Recommendation of the State CIO to the DAS Director:

Authorize this IT procurement Yes X No ____

Alternatives suggested by the State CIO
(see comments below) Yes ____ No X

Additional comments from the State CIO:

The State CIO recommends approval of the IOWAccess funding. This procurement can/will be used by multiple agencies and across multiple licensing requirements. IOWAccess funding was available and marked for this development effort prior to the agency completing the paperwork.

Amount of recommended funding: \$312,443.50

DAS Director's action:

Authorize this IT procurement Yes X No ____

DAS Director's signature and date:

The above IT procurement concept approved by Director Carroll on 12/26/12

Comments: **None.**